



FOR **SMALL
BUSINESS**

CCSB Update

Spring 2017





FOR **SMALL
BUSINESS**

Agenda

- How is CCSB Doing?
- The Small Business Insurance Market
- Challenges to Employers and Impacts to Employees
- How CCSB Can Help
- Understanding Defined Contribution
- Product updates and Unique Benefits
- Resources & Contacts



FOR **SMALL
BUSINESS**

Business As Usual



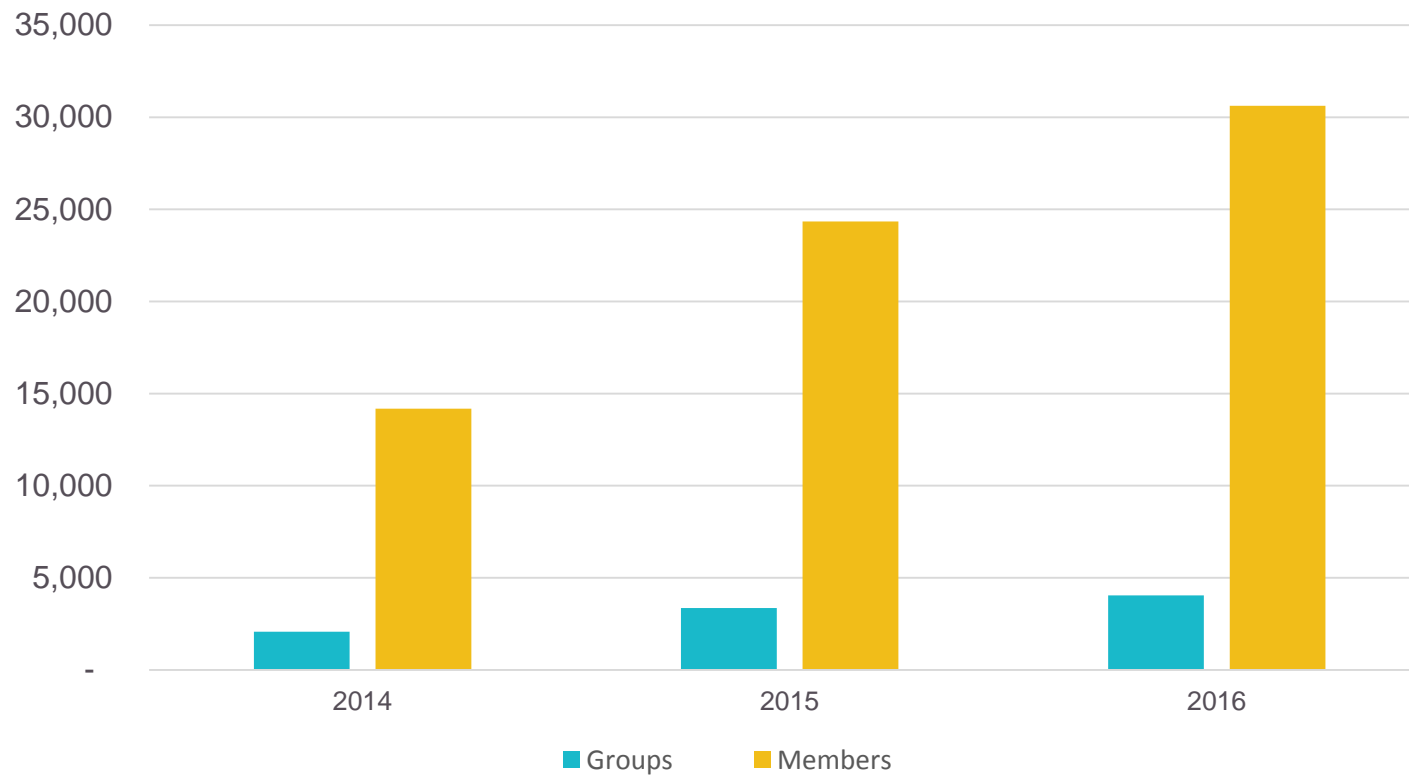
- New Administration will undoubtedly bring changes to the ACA
- Covered California is a State vs Federal Exchange
- CCSB membership does not receive Federal subsidies
- CCSB program offers 12-month rate/plan guarantee
- Group Service Agreement
 - Between group and QHP
- CCSB administered by private sector TPA
- 3-year contract with QHPs beginning 2017



FOR **SMALL
BUSINESS**

Year-Over-Year Program Growth

End of Year Totals: 2014-2016



Year	Groups	Members	Group Growth	Member Growth
2014	2,070	14,183	N/A	N/A
2015	3,354	24,344	62%	72%
2016	4,045	30,623	21%	26%



FOR **SMALL
BUSINESS**

Exchange Membership in California

“Approximately 30% of the overall small group market is projected to adopt an exchange solution by 2020.”

Price Waterhouse Coopers (May, 2016)

10% in 2016 = 330k



30% in 2020 = 850k+

Current Exchange Membership

Exchange Total	330,000
-----------------------	----------------

Current Market Membership

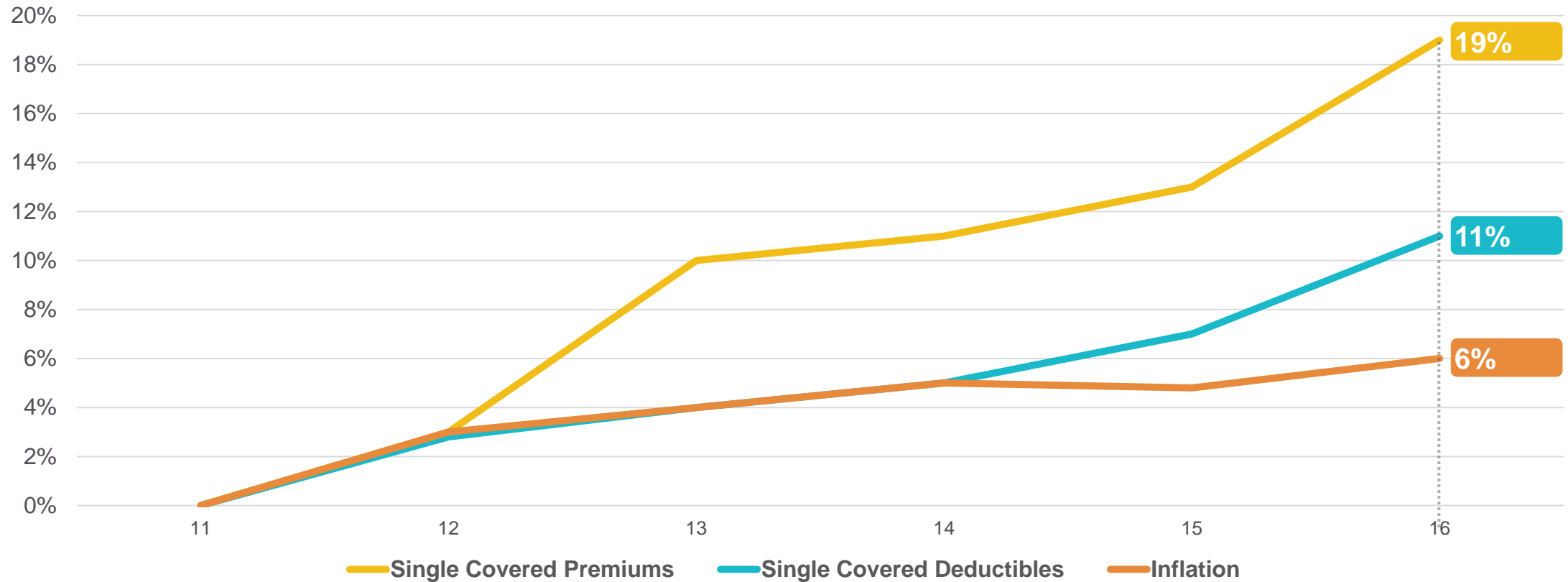
Groups 1-50	2,100,000
Groups 51-100	<u>1,000,000</u>
Total	3,100,000



FOR **SMALL
BUSINESS**

The Rising Cost of Health Insurance

Annual Family Health Insurance Premiums to Annual Household Income



Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits April 2016



FOR **SMALL
BUSINESS**

The Small Business Insurance Market

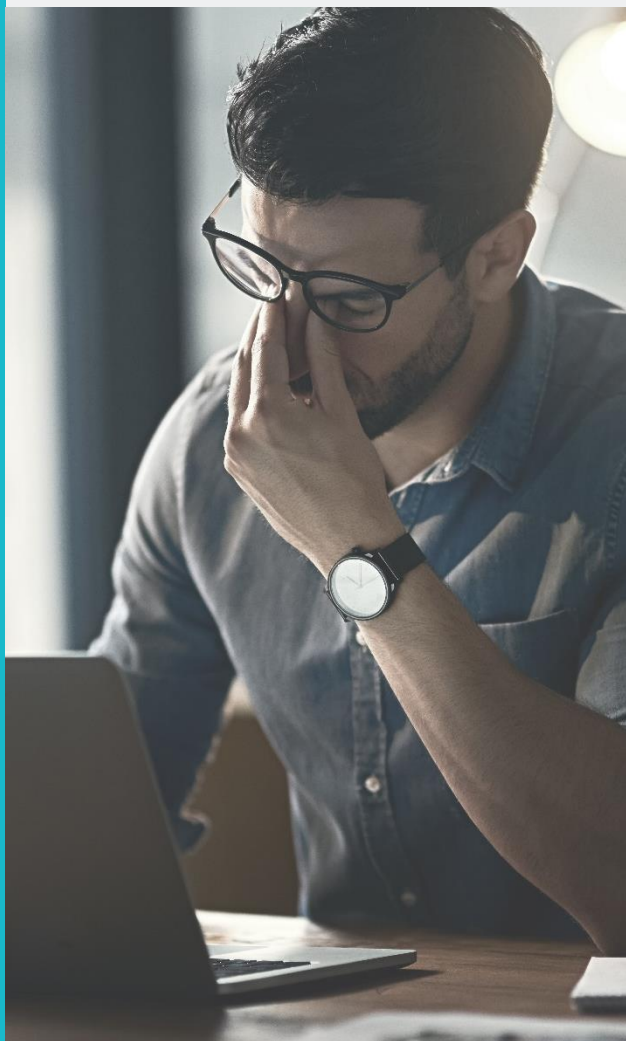


- Controlling cost often meant moving from one health carrier to another, on an endless chase for low prices
- Employers were forced to become insurance experts once a year to determine the best health plan(s) for their company
- In the past, controlling health care costs meant disrupting employee access to care



FOR **SMALL
BUSINESS**

The Small Business Insurance Purchasing Process



Benefits	Covered CA HMO Blue Shield Silver 70 HMO 2000/45 + Child Dental INF	Blue Shield HMO Silver Trio ACO HMO® 1700/55 OffEx	Blue Shield HMO Silver Local Access+ HMO® 1700/55 OffEx	Blue Shield HMO Gold Trio ACO HMO® 1700/30 OffEx
Deductible In Net	\$2,000	\$1,700	\$1,700	\$1,700
PC/Specialist In Net	\$45/\$75 ded waived	\$55/\$85 ded waived	\$55/\$85 ded waived	\$30/\$50 ded waived
Co-Insurance In Net	20%			
OOP Limit In Net	\$6,800 (incl ded)	\$6,800		
Inpatient Hospital In	20% after ded	40%		
Urgent Care In Net	\$45 ded waived	\$55 ded waived		
Rx Generic In Net	\$15 ded waived	\$15 ded waived		
Rx Preferred In Net	\$55 after \$250	\$55 after \$250		
Rx Non-Preferred In	\$85 after \$250	\$85 after \$250		
EE Cost Comp	\$349.49			



Aetna	CA Bronze Basic HMO 6500	214
UnitedHealthcare	State Alliance HSA Bronze 40%/4800ded	215.92
Kaiser	Bronze 60 HMO 6300/75	222.52
Covered CA	Kaiser	
Kaiser	Bronze	
Covered CA	Kaiser	
CaliforniaChoice	Kaiser	
UnitedHealthcare	Allian	
Covered CA	Kaiser	
CaliforniaChoice	UHC A	
Covered CA	Kaiser	
CaliforniaChoice	Kaiser	
UnitedHealthcare	Allian	
UnitedHealthcare	State	
UnitedHealthcare	Focus	
CaliforniaChoice	UHC A	
CaliforniaChoice	UHC P	
UnitedHealthcare	Focus	
Kaiser	Silver	
Covered CA	Kaiser	
UnitedHealthcare	State	
CaliforniaChoice	Kaiser	
UnitedHealthcare	Advan	
Aetna	CA Silver Basic HMO 2000	285.69

ID	Designer	Style Description	Unit Price	Cost of Goods	Units	On Order	Profit Margin	Type of Garment	Profit
10020	Jenna J.P.	Redford	\$330.00	\$198.00	11,200	2,000	80.00%	Coat	\$132.00
10020	Jenna J.P.	Berry	\$240.00	\$120.00	8,500	1,100	50.00%	Coat	\$120.00
10020	Jana R. Kuroshi	Wyllie	\$290.00	\$145.00	12,200	2,000	50.00%	Coat	\$145.00
10020	Paul Anthony	Metropolitan	\$280.00	\$140.00	10,000	900	50.00%	Coat	\$140.00
10020	Paul Anthony	Driggs	\$500.00	\$250.00	8,700	1,800	50.00%	Coat	\$250.00
10020	Paul Anthony	Dean	\$340.00	\$204.00	11,200	1,700	80.00%	Coat	\$136.00
10020	Jana R. Kuroshi	Smith	\$240.00	\$120.00	11,700	870	50.00%	Coat	\$120.00
10020	Jana R. Kuroshi	Vanderbilt	\$190.00	\$104.50	8,500	1,300	55.00%	Coat	\$85.50
10020	Paul Anthony	Washington	\$210.00	\$105.00	8,700	1,300	50.00%	Coat	\$105.00
10020	Cole Lyon Emory	Franklin	\$210.00	\$105.00	10,200	2,100	50.00%	Coat	\$105.00
10020	Paul Anthony	Claxton	\$240.00	\$120.00	8,800	1,800	50.00%	Coat	\$120.00
10020	Cole Lyon Emory	Rogers	\$130.00	\$78.00	10,200	1,500	80.00%	Sweater	\$52.00
10020	Cole Lyon Emory	Bergen	\$150.00	\$105.00	11,400	900	70.00%	Sweater	\$45.00
10020	Jenna J.P.	Carlton	\$130.00	\$65.00	12,200	1,200	50.00%	Sweater	\$65.00
10020	Jenna J.P.	Orchard	\$110.00	\$71.50	13,200	2,000	85.00%	Sweater	\$38.50
10020	Cole Lyon Emory	St. John's	\$80.00	\$48.00	13,100	870	80.00%	Cardigan	\$32.00
10020	Cole Lyon Emory	St. John's	\$110.00	\$77.00	14,000	800	70.00%	Cardigan	\$33.00
10020	Jenna J.P.	Chase	\$130.00	\$71.50	12,200	1,200	55.00%	Cardigan	\$58.50
10020	Jenna J.P.	Greenwich	\$80.00	\$48.00	13,200	1,300	50.00%	Vest	\$45.00
10020	Jenna J.P.	Georgetown	\$110.00	\$66.00	14,100	1,400	80.00%	Vest	\$44.00
10020	Jenna J.P.	Vessey	\$70.00	\$38.50	12,500	850	55.00%	Vest	\$31.50
10020	Cole Lyon Emory	Division	\$70.00	\$35.00	13,000	850	50.00%	Shrug	\$35.00
10020	Cole Lyon Emory	Venice	\$60.00	\$30.00	12,500	1,100	50.00%	T-Shirt	\$30.00
10020	Jenna J.P.	Dallas	\$80.00	\$40.00	11,000	1,200	40.00%	T-Shirt	\$40.00
10020	Jenna J.P.	Cape	\$70.00	\$35.00	14,200	870	50.00%	T-Shirt	\$35.00
10020	Jenna J.P.	Rose	\$80.00	\$40.00	12,500	900	50.00%	Tank	\$40.00
10020	Jana R. Kuroshi	Stark	\$30.00	\$15.00	13,700	1,300	80.00%	Tank	\$12.00
10020	Jana R. Kuroshi	Archer	\$30.00	\$15.00	14,000	1,200	80.00%	Tank	\$12.00
10020	Jana R. Kuroshi	Belmont	\$25.00	\$12.50	12,500	850	80.00%	Tank	\$5.00
10020	Paul Anthony	Fitzgerald	\$25.00	\$12.50	12,700	1,000	80.00%	Tank	\$10.00



FOR **SMALL
BUSINESS**

Health Plan Selection Impacts Employee Access

Employer's desire to control costs
with different health plan **impacts
employee's access** to:

Benefits

Doctors

Hospitals

Urgent Care Centers





FOR **SMALL
BUSINESS**

Is There a Better Way?





FOR **SMALL
BUSINESS**

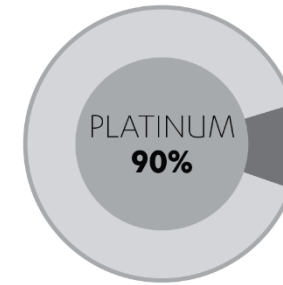
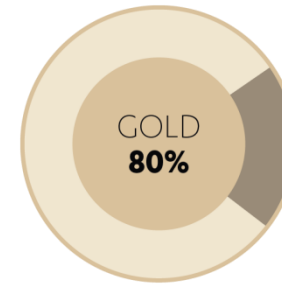
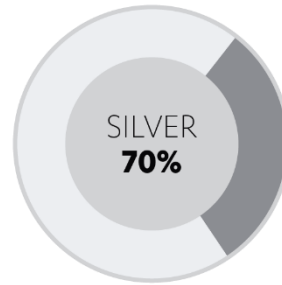
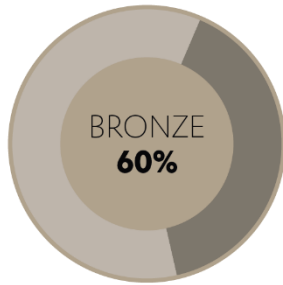
Is There a Better Way?





FOR **SMALL
BUSINESS**

How Covered California for Small Business Works



● Pay up front

● Pay at time of services

Quality Health Plans to Choose from at Any Level

blue  of california

 *Chinese
Community
Health
Plan* CCHP

 Health Net

 KAISER PERMANENTE®

 SHARP®

 Western Health Advantage



FOR **SMALL
BUSINESS**

Defined Contribution



Platinum PPO \$8,000

Gold PPO \$7,000

Gold HMO \$6,000 ▲

Monthly Budget

Silver PPO **\$5,000**

Silver HMO \$4,000 ▼

Bronze PPO \$3,000

Bronze HMO \$2,000



FOR **SMALL
BUSINESS**

Defined Contribution

- Employers can **offer benefits and control costs** by:
 - ✓ Offering a defined contribution
 - ✓ Allowing employees the flexibility to buy up or down to meet their needs



- This employer made a defined contribution by selecting a **Reference Plan**:
 - ✓ To pay **50%** of Health Plan Silver PPO
 - ✓ Employees the choice to pick other plans from Silver and Gold metallic tiers





FOR **SMALL
BUSINESS**

A Gift Card for Health Coverage!





FOR **SMALL
BUSINESS**

Employee Example: Mary, Age 35

- Mary is a 35-year old, single mother of two small children
- Her priority is **finding affordable coverage for her family with low out-of-pocket costs**

Reference Plan	Defined Contribution	Premium	Employer Contribution	Employee Contribution
Health Plan Silver PPO	50%	\$414	\$207	\$207

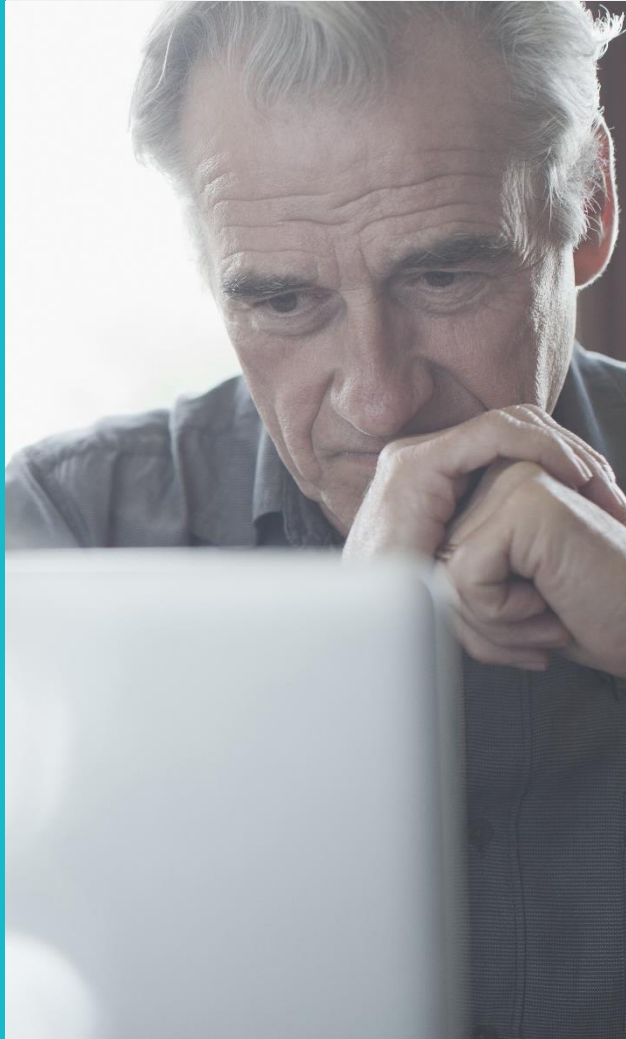
Plan A Silver PPO	
Employee	\$414
Dependent	\$215
Dependent	\$215
Employer Pays	\$207
Employee Total	\$638

Plan B Silver HMO	
Employee	\$292
Dependent	\$152
Dependent	\$152
Employer Pays	\$207
Employee Total	\$389



FOR **SMALL
BUSINESS**

Employee Example: John, Age 55



- John is a 55-year old, single male currently being treated for a condition requiring frequent doctor visits and several daily medications
- John's priority is a **health plan that will cover costs of frequent office visits and medications**

Reference Plan	Defined Contribution	Premium	Employer Contribution	Employee Contribution
Health Plan Silver PPO	50%	\$604	\$302	\$302

Plan A Silver PPO	
Employee	\$604
Employer Pays	\$302
Employee Total	\$302

Plan B Gold PPO	
Employee	\$657
Employer Pays	\$302
Employee Total	\$355



FOR **SMALL
BUSINESS**

Employee Example: Jocelyn, Age 27

- Jocelyn is a 27-year old, recent graduate that competes in triathlons on the weekends
- Her priority is to **have coverage “just in case” and pay as little as possible for her health plan**

Reference Plan	Defined Contribution	Premium	Employer Contribution	Employee Contribution
Health Plan Silver PPO	50%	\$214	\$107	\$107

Plan A Silver PPO	
Employee	\$214
Employer Pays	\$107
Employee Total	\$107

Plan B Gold HMO	
Employee	\$152
Employer Pays	\$107
Employee Total	\$45



FOR **SMALL
BUSINESS**

Why Covered California for Small Business Works



Control

Give your clients control of their employee benefit budget using defined contribution year after year



Choice

Empower employees to make the right benefit decisions for themselves and their families



Difference

Differentiate yourself from your competition with a solution based approach to employer sponsored health insurance



FOR **SMALL
BUSINESS**

2017 CCSB Product Updates

Blue Shield Introduces:

- Full Network PPO
- Trio ACO
- Out of State Access to Blue Card Network

Kaiser Expands into Santa Cruz County



What is Different About the ACO Model?



Quality

- Reduces gaps in care
- Improves efficiency and communications
- Delivers improved patient-centered care



Affordability

- Decreases waste
- Allocates resources toward healthcare most appropriate for patient



Patient Experience

- Improves the flow of information
- Helps empower the patient to make educated healthcare decisions



FOR **SMALL
BUSINESS**

CCSB Unique Benefits

- ✓ **Employee-Only Coverage**
 - Allows dependents to be eligible for subsidies on the Individual Exchange
- ✓ **No Admin or Late Fees**
- ✓ **Kaiser Pricing Advantage**
- ✓ **Two Full Network PPO Plans**
 - Blue Shield & Health Net
- ✓ **Multi-Carrier Choice Portfolio**
 - Multi Site Companies
 - Multi State Companies
- ✓ **Regional Carriers**
 - WHA in the North Bay / Sacramento
 - CCHP in San Francisco and Northern San Mateo
 - SHARP Health Plan in San Diego
- ✓ **Five General Agent Partners**
- ✓ **Tax Credits**
- ✓ **Competitive Commissions**



FOR **SMALL
BUSINESS**

Value for your Employees

Employee Only Coverage

- Employer Can Offer Employees Coverage Without Including Dependents
- Allows Dependents to Seek Coverage and APTC through Covered California





FOR **SMALL
BUSINESS**

Value for your Business



Tax Credit for Eligible Employers

- Employer Has Fewer Than 25 Full-Time Equivalent Employees
- Combined Average Employee Annual Wages Are Less Than \$50K
- Tax Credit Up to 50% of Employer's Premium Contribution



FOR **SMALL
BUSINESS**

Value to Agent

1-50 Employees Enrolled

1 st Year	6.5%
2 nd Year	6.2%
3 rd Year	5.9%
4 th Year	5.6%
5 th Year	5.3%
6+ Years	5.0%

51+ Employees Enrolled

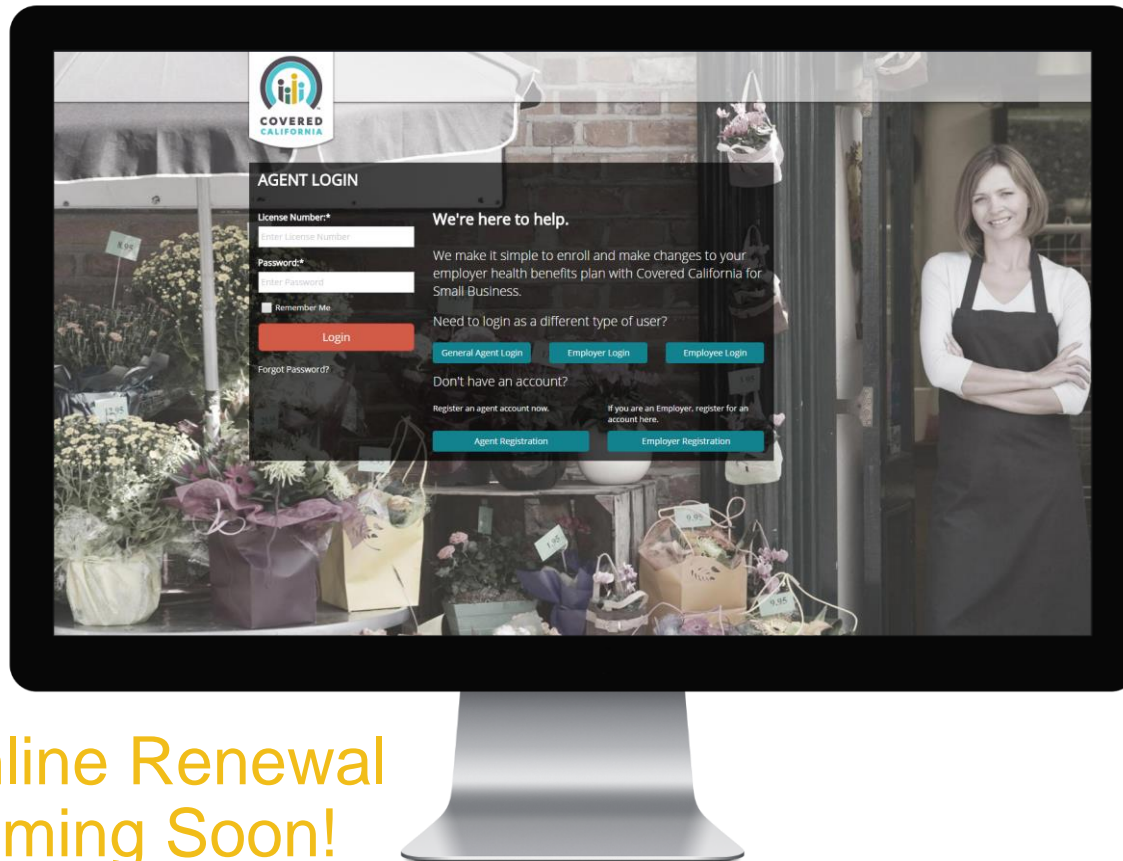
5% Flat

*Group size is based on enrolled employees, not eligible



FOR **SMALL
BUSINESS**

Agent Online Enrollment Portal



Online Renewal
Coming Soon!

Covered California for Small Business launched the portal giving agents the ability to enroll, manage and make changes to small group cases—all online. Many of the portal's key features will make the employer application process more intuitive and convenient for you, including:

- **Real-time enrollment** and case submission
- **Data validation** to improve data accuracy
- **A user dashboard** for viewing and tracking case status
- **Automatic email alerts** to keep you informed of status changes
- **Case notes and an upload function** for required documents
- **Added general agent support** for agents currently working with a general agent



FOR **SMALL
BUSINESS**

Small Business Broker Portal

Driving Administrative Efficiencies

Online Enrollment Portal

- Currently Available for Agents & GAs
- 100% General Agent online enrollment
- 4% Agent online enrollment

Full Agent Portal

- Expected Launch Date: Q2 - 2017

Full Employer Portal

- Expected Launch Date: Q2 – 2017

API Development

- Planned Availability: Q2 - 2017



FOR **SMALL
BUSINESS**

Services from the Agent Service Center

- ✓ Commission Statements
- ✓ Group Invoices
- ✓ Renewals
- ✓ Member ID Numbers





FOR **SMALL
BUSINESS**

Agent Toolkit

hbex.coveredca.com/toolkit/forsmallbusiness



Presentations

Videos

Logos

Digital Banner

Storefront Signs

Plans & SBCs



FOR **SMALL
BUSINESS**

Regional Sales Executives

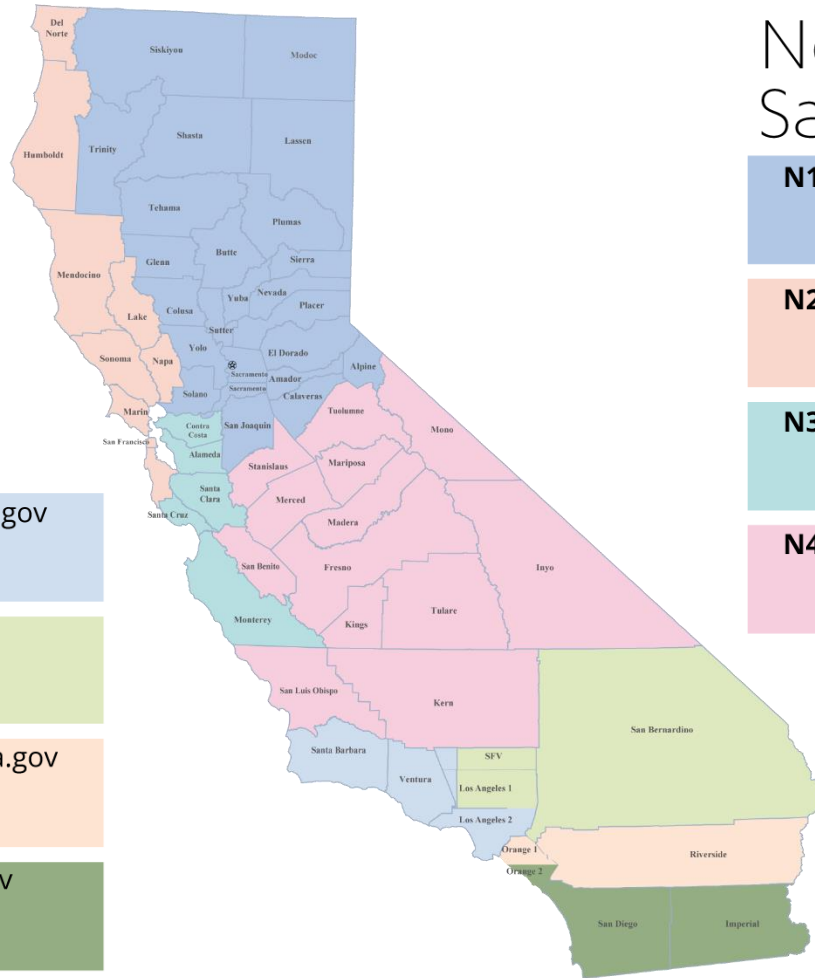
Southern California Sales Territories

S1 Tamar Arouchian tamar.arouchian@covered.ca.gov
(818) 625-2279
L.A. & Westside, Ventura, SB

S2 Doris Ford doris.ford@covered.ca.gov
(818) 406-4608
NE L.A. & San Bernardino

S3 Gonzalo Verduzco gonzalo.verduzco@covered.ca.gov
(714) 785-5445
Northern OC, Riverside

S4 Angela Shrove angela.shrove@covered.ca.gov
(619) 339-8887
San Diego, Imperial & South OC



Northern California Sales Territories

N1 Enoch Barrios enoch.barrios@covered.ca.gov
(916) 761-5455
Sacramento, Northern CA

N2 Gina Poon gina.poon@covered.ca.gov
(415) 802-8185
SF, Peninsula & North Bay

N3 Tara Driscoll tara.driscoll@covered.ca.gov
(408) 508-8689
South Bay, East Bay

N4 John Lally john.lally@covered.ca.gov
(559) 287-9980
Fresno & Central Valley



FOR **SMALL
BUSINESS**

Sales Support Specialists

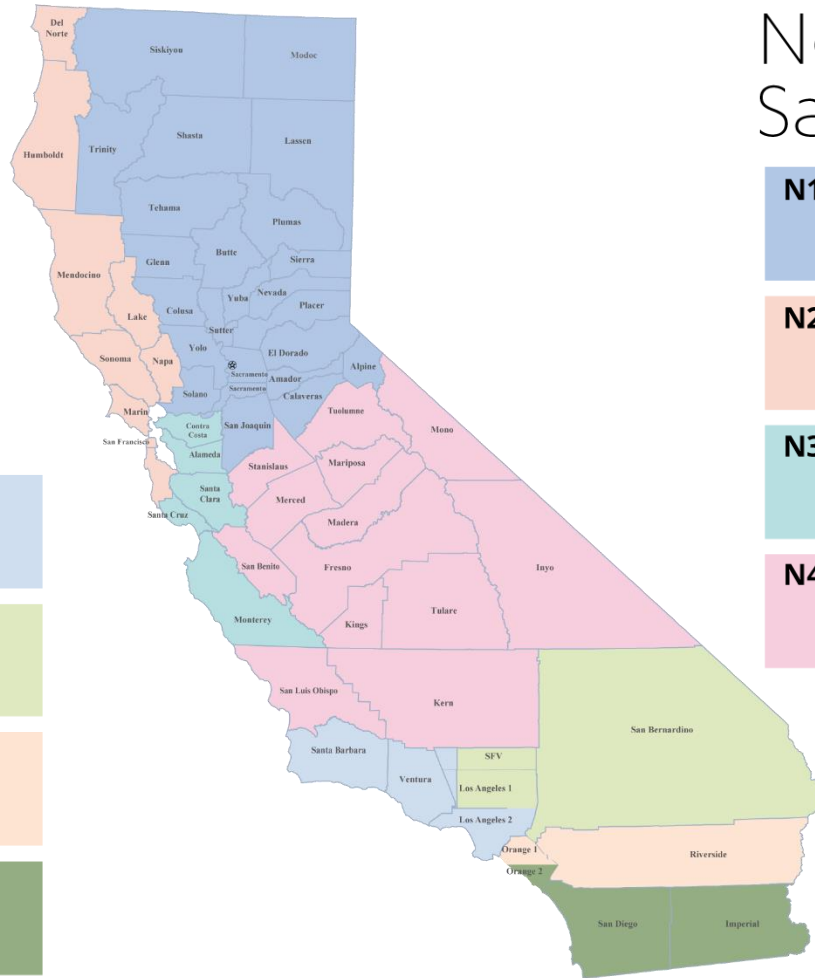
Southern California Sales Territories

S1 Charles Nguyen charles.nguyen@covered.ca.gov
(949) 885-4778
L.A. & Westside, Ventura, SB

S2 Ryan O'Connell ryan.oconnell@covered.ca.gov
(949) 885-4764
NE L.A. & San Bernardino

S3 Janet Duong janet.duong@covered.ca.gov
(949) 885-4815
Northern OC, Riverside

S4 David Guevara david.guevara@covered.ca.gov
(949) 885-2222
San Diego, Imperial & South OC



Northern California Sales Territories

N1 Billy Miller billy.miller@covered.ca.gov
(916) 835-6301
Sacramento, Northern CA

N2 Clarissa Sarabia clarissa.sarabia@covered.ca.gov
(949) 885-4813
SF, Peninsula & North Bay

N3 Clarissa Sarabia clarissa.sarabia@covered.ca.gov
(949) 885-4813
South Bay, East Bay

N4 Billy Miller billy.miller@covered.ca.gov
(916) 835-6301
Fresno & Central Valley



FOR **SMALL
BUSINESS**

General Agents



Dickerson Employee Benefits
Insurance Services

AUTHORIZED GENERAL AGENT





FOR **SMALL
BUSINESS**

Contact Us

CCSB Sales

(844) 332-8384

www.CoveredCA.com/ForSmallBusiness

Agent Service Center

(877) 453-9198 - agents@covered.ca.gov

(Option 1 for English or 2 for Spanish > then 1 for Agents > then 2 for the Call Center)

Case Submission & Eligibility

shopelig@pinnacletpa.com

Quotes

shopquotes@pinnacletpa.com

